THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI S.B.P.B.K. SATYANARAYANA RAO) : (a) and (b) Yes, Sir. Andhra Pradesh Government has suggested the following changes in the National Agricultural Insurance Scheme (NAIS):

1. The sharing pattern between Government of India and State Government should be continued as 2:1.
2. The creation of 'Corpus Fund' is not justifiable and may be dropped.
3. Administrative expenditure of General Insurance Corporation of India (GIC) should be borne by Government of India.
4. The expenditure on crop cutting experiments and other incidental expenditure should also be shared between Government of India and State Government in the ratio of 2:1.
5. The sunset arrangements for taking away the benefit of subsidised premium to small and marginal farmers need reconsideration.

(c) The suggestions given by the Government of Andhra Pradesh would be considered at the time of review of the scheme.

National Food Processing Policy

2322. DR. GOPALRAO VITHALRAO PATIL : Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that Union Government would shortly announce a National Food Processing Policy to handle the problem of wastages;

(b) if so, when and details of policy;

(c) whether it is a fact that Food Processing Industries had prepared a preliminary report on the issue; and

(d) if so, the highlights of this Report?

THE MINISTER OF STATE IN THE DEPARTMENT OF FOOD PROCESSING INDUSTRIES OF THE MINISTRY OF

AGRICULTURE (SHRI SYED SHAHNAWAZ HUSSAIN) : (a) to (d) Government has initiated a process to formulate a new Food Processing Policy for the country. Preliminary work in this regard has already been completed. It is difficult to indicate the time frame within which the policy will be announced. Immediately after the draft Policy is finalised, wide ranging consultations would be required with the State Government and other inter related Departments of the Government of Inda and other Organizations. Broadly the Policy would cover issues relating to availability of raw material, backward linkages, processing facilities including post harvest infrastructure, packaging, food quality and safety, marketing of products domestic and export, awareness about processed foods and fiscal incentives. These issues are only illustrative and not exhaustive.

Payment of balance amount for Drought Relief in Andhra Pradesh

2323. SHRI SOLIPETA RAMACHANDRA REDDY : Will the Minister of AGRICULTURE be pleased to state:

(a) whether Central aid has been sought by the State Government of Andhra Pradesh for tackling serious drought situation in half of the State;

(b) if so, the assistance given so far; and

(c) the time by which the balance amount is likely to be provided by the Union Government?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI S.B.P.B.K. SATYANARAYANA RAO) : (a) and (b) Yes, Sir. The Government of Andhra Pradesh has submitted a memorandum seeking assistance of Rs. 720.36 crore from the National Fund for Calamity Relief (NFCR) in the wake of drought in the State. The entire Central share of Rs. 107.69 crore, out of the allocation of Rs. 143.59 crore to the State under Calamity Relief Fund (CRF) for 1999-2000, has already been released to the State.

(c) The National Calamity Relief Committee has decided to release an amount of Rs. 75.36 crore to Andhra Pradesh from the NFCR for drought relief measures. The funds will be released shortly.